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Note verbale dated 19 July 2018 from the Permanent Mission of Cyprus to the United Nations addressed to the Chair of the Committee

The Permanent Mission of the Republic of Cyprus to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to submit the report of the Republic of Cyprus on the implementation of resolution 2397 (2017) on the Dem. ratic People's Republic of Korea (see annex).

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Annex to the note verbale dated 19 July 2018 from the Permanent Mission of Cyprus to the United Nations addressed to the Chair of the Committee

Report of Cyprus on the implementation of Security Council resolution 2397 (2017)

The Republic of Cyprus and the other member States of the European Union have jointly implemented the restrictive measures against the Democratic People's Republic of Korea imposed by the Security Council in its resolution 2397 (2017) by taking the following common measures:[1]

- Council Implementing Decision (CFSP) 2018/16 of 8 January 2018, implementing Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea, which implemented the designation of additional persons and entities (travel ban and asset freeze).
- Council Implementing Regulation (EU) 2018/12 of 8 January 2018, implementing Regulation (EU) 2017/1509 concerning restrictive measures against the Democratic People's Republic of Korea, which gave effect to Council Implementing Decision (CFSP) 2018/16.
- Council Decision (CFSP) 2018/293 of 26 February 2018, amending Decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea.
- Council Regulation (EU) 2018/285 of 26 February 2018, amending Council Regulation (EU) 2017/1509 concerning restrictive measures against the Democratic People's Republic of Korea, which gave effect to the measures provided for in Security Council resolution 2397 (2017).

The Council decisions set out the commitment of the European Union to implement the measures contained in Security Council resolution 2397 (2017), including the following:

- The European Union had already introduced the complete prohibition of the export of crude oil in Council Decision (CFSP) 2017/1860, with a derogation regarding export for humanitarian purposes if approved in advance on a case-by-case basis by the Committee. In Council Decision (CFSP) 2018/293 it was further stated that the prohibition applied to the direct or indirect supply to the Democratic People's Republic of Korea of all crude oil, whether or not originating in the territories of member States, including by means of pipelines, rail lines or vehicles.
- The European Union had already introduced the complete prohibition of the export of all refined petroleum products in Council Decision (CFSP) 2017/1860, which also provided that the export of refined petroleum products could be authorized by the competent authority of a member State for humanitarian purposes under the conditions stated in paragraph 14 of Security Council resolution 2375 (2017). In Council Decision (CFSP) 2018/293 it was further stated that the amount of refined petroleum products authorized for export could not exceed 500,000 barrels per year, including by means of pipelines, rail lines or vehicles.

[1] All common measures are published in the Official Journal of the European Union.

- Prohibition on the import of food and agricultural products, machinery, electrical equipment, earth and stone including magnesite and magnesia, wood and vessels.
- Prohibition on the acquisition of fishing rights of the Democratic People's Republic of Korea.
- Prohibition on the export of all industrial machinery, transportation vehicles and iron, steel and other metals, unless it has been determined that the provision of spare parts is needed to maintain the safe operation of passenger aircraft of the Democratic People's Republic of Korea.
- Obligation for a member State to repatriate to the Democratic People's Republic of Korea all nationals of the Democratic People's Republic of Korea earning income in the jurisdiction of the Member State and all government safety oversight attachés of the Democratic People's Republic of Korea monitoring workers of the Democratic People's Republic of Korea abroad immediately but no later than 24 months from the date of adoption of the resolution, unless certain exemptions apply, subject to applicable national and international law.
- Obligation for Member States to seize, inspect and impound any vessel in their ports and to seize, inspect and impound any vessel subject to their jurisdiction in their territorial waters where there are reasonable grounds to believe that the vessel has been involved in activities, or the transport of items, prohibited by the various Security Council resolutions on the Democratic People's Republic of Korea. Under certain conditions the provisions for the impounding of vessels shall cease to apply.
- Obligation to cooperate as promptly as possible with another State which has information to suspect that the Democratic People's Republic of Korea is attempting to export illicit cargo where the State requests additional maritime and shipping information.
- Prohibition to provide insurance or re-insurance services to vessels identified as being involved in activities, or the transport of items, prohibited by the various Security Council resolutions on the Democratic People's Republic of Korea, unless the Committee determines on a case-by-case basis that the vessel is engaged in activities exclusively for livelihood or humanitarian purposes.
- Obligation to de-register any vessel where there are reasonable grounds to believe that the vessel has been involved in activities, or the transport of items, prohibited by the various Security Council resolutions on the Democratic People's Republic of Korea.
- Prohibition to provide classification services to vessels identified as being involved in activities, or the transport of items, prohibited by the Security Council in the various resolutions on the Democratic People's Republic of Korea, unless approved in advance by the Committee on a case-by-case basis.
- Obligation not to register any vessel that has been de-registered by another State unless approved by the Committee in advance on a case-by-case basis.
- The prohibition of the export of new or used vessels had already been introduced in Council Decision (CFSP) 2017/345.
- Obligation to seize and dispose of items of which the export is prohibited by the Security Council in its resolution 2397 (2017).
- Prohibition to satisfy any claim in connection with any contract or transaction of which the performance has been affected by the measures provided for in Security Council resolution 2397 (2017).

The above-mentioned Council regulations are binding in their entirety and directly applicable in all States members of the European Union. In accordance with Council Regulation (EU) 2017/1509, member States are required to lay down the rules on penalties applicable to infringements of the regulation.

The penalties determined by the Republic of Cyprus are set out in Law No. 58(I)/2016 on the implementation of the provisions of Security Council resolutions or decisions (sanctions) and European Union Council decisions and regulations (restrictive measures).

It should be noted that Law No. 58(I)/2016 also sets out the obligation of any person or entity in the Republic of Cyprus to abide by and comply with all the provisions of Security Council resolutions and/or European Union Council decisions and regulations. Under the law, all United Nations and European Union instruments are incorporated and adopted into the national legal order without the need to enact prohibition orders, and thus are automatically applicable and binding.

It should be noted that the export of military equipment is controlled by Council Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing the control of exports of military technology and equipment and by Regulation No. 522/2011, which was published in the Official Gazette of the Republic of Cyprus (No. 4538) on 23 December 2011.

According to Regulation 522/2011, the export, re-export and transport of military equipment require an export licence issued by the licencing authority. Additionally, the provision of brokering services and technical assistance related to military equipment also requires a licence.

The Republic of Cyprus, as a member of the European Union, the United Nations and the Organization for Security and Cooperation in Europe, applies the policies and measures adopted by these organizations. More specifically, the Republic of Cyprus applies the decisions adopted by the Council of the European Union in the framework of the Common Foreign and Security Policy and Security Council resolutions on the prohibition of exports of military equipment and dual use goods (imposition of an embargo).